

Talking to Service Members About Retirement

Young service members may not think planning for retirement is necessary at their age – and that’s why discussing long-term retirement strategies is an important conversation to have.

A few quick tips to keep in mind:

- Share resources to help service members learn more about the Blended Retirement System and Thrift Savings Plan.
- Explain how retirement plans offer tax benefits, such as pre-tax contributions or contributions that are tax-free at retirement.
- Help service members understand how strategies like dollar-cost averaging and diversification can reduce retirement investment risks.
- Emphasize the importance of long-term goals and how money can grow over time by explaining the Rule of 72.

Resources

- The Office of Financial Readiness:
<https://finred.usalearning.gov/>
- “Grab a Bagful of Savings” infographic:
<https://finred.usalearning.gov/assets/downloads/FINRED-GrabBagfulSavings-I.pdf>
- “A Guide to the Uniformed Services Blended Retirement System” booklet:
<https://issuu.com/dodfinred/docs/finred-brs-bk-5.5x8.5?e=36724002/67918544>
- Thrift Savings Plan website:
<https://www.tsp.gov/>

How to Start the Conversation

- “What’s your approach for funding retirement?”
- “Are you on track to meet your retirement goals? How do you follow your progress?”
- “What percentage or dollar amount are you contributing to your Thrift Savings Plan? Did you know the government matches TSP contributions up to 5% for Blended Retirement System participants?”
- “Who do you go to for retirement savings advice?”
- “Are you familiar with the term ‘dollar-cost averaging’?”
- “Are you familiar with the Rule of 72?”
- “Have you considered ways to reduce your spending and allocate more to retirement?”
- “It can be challenging to focus on long-term plans when they feel so far away – here are a few resources I’ve found helpful.”

- “Diversification and Dollar-Cost Averaging” article:
<https://militaryfamilieslearningnetwork.org/2015/09/08/diversification-and-dollar-cost-averaging-time-tested-investment-strategies/>
- “Use the Rule of 72 to Promote Savings” article:
<https://militaryfamilieslearningnetwork.org/2017/03/21/use-the-rule-of-72-to-promote-saving/>

Personal financial managers and counselors can help continue the conversation. Share this contact information for your local PFM or PFC:



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